

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**HB 2000 - SB 1710**

March 14, 2011

**SUMMARY OF BILL:** Delays the implementation of the Procurement Act, Public Acts 2010. Public Chapter 1098, from October 1, 2011, until April 1, 2012. Eliminates the definition of "bidder," and defines "proposer" for the purposes of state procurement. Requires the Procurement Commission to adopt proceedings procedures and the chief procurement officer to keep permanent records of all proceedings. Requires submission of draft rules to the Commission prior to submission to the Secretary of State. Eliminates the requirement that there be a Commission chair, vice chair and secretary. Requires the Advisory Council to be established by November 1, 2011, rather than October 1, 2011. Requires the Commissioner of the Department of General Services (DGS) to appoint one representative, rather than two, from a state agency, and to appoint the representative from DGS, who is currently appointed by the Commissioner of the Department of Finance and Administration (DOFA). Eliminates all March 1 appointment dates and replaces them with November 1 appointment dates. Eliminates all February 28 term expiration dates and replaces them with October 31 term expiration dates. Requires the Governor to appoint the chief procurement officer by July 1, 2011, rather than March 31, 2011. Requires the single public Internet procurement website to be established by January 1, 2012, rather than July 1, 2011. Eliminates the resale of surplus property provisions relating to vocational and technical schools, and the corresponding notice requirements.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - \$80,000/One-Time  
\$531,000/Recurring**

**Funding for this bill in the amount of \$611,000 is included in the Governor's proposed FY11-12 budget.**

**Assumptions:**

- According to DOFA, the development of the Grant and Sub-Grant Recipient Database will result in a one-time increase in state expenditures of \$80,000.
- Four staff members will comprise the Office of the Chief Procurement Officer (CPO). The staff members are the CPO, Deputy CPO, Chief Compliance Officer, and one administrative assistant. The increase in recurring state expenditures will be \$531,000 (\$339,840 salaries + \$191,160 benefits).

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**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

/sbh